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STATE OF NEW JERSEY
DEPARTMENT OF LAW & PUBLIC SAFETY
DIVISION OF CONSUMER AFFAIRS
STATE REAL ESTATE APPRAISERS BOARD

In the matter of:

ANDREA L. SENATORE, SLRREA
License #42RA00394300

CONSENT ORDER

This matter was opened before the New Jersey State Real Estate Appraisers Board (the "Board") upon the receipt of a complaint dated October 8, 2012 from Mark D. Liley on behalf of Flagstar Bank, alleging generally that respondent Andrea L. Senatore prepared an appraisal report with an inflated value conclusion on property located at 603 Good Intent Road, Gloucester Township, New Jersey (the report was signed July 26, 2007 with an effective date of July 21, 2007; the report will hereinafter be referred to as the "subject property appraisal report."). In reviewing this matter, the Board has considered Mr. Liley's complaint (along with supporting documentation, to include a review appraisal obtained by Flagstar), respondent's written response to the complaint dated January 31, 2013, wherein she stated that she had no records or workfile for the subject property appraisal report because the records had been purged five years after the date of preparation of the appraisal, and testimony which respondent offered when she appeared before the Board, *pro se*, for an investigative hearing on February 22, 2014.

Upon review of all available information, the Board finds that the subject property was a residential property located in Gloucester Township, New Jersey, situate on a corner lot which fronted a busy street. A detached garage, which had been converted to and was being used as an in-law suite, was situate on the property. Respondent failed to identify the fact that the property fronted a busy street in the subject property appraisal report, and did not consider or analyze the effect of the location when developing the sales comparison approach (that is, no adjustments were taken for location differences between the subject property and any of the comparable sales). While respondent noted the presence of the mother-in-law suite in the appraisal report, she did not include a photograph or sketch of the suite in the report, and failed to consider or analyze the effect that the suite might have on valuation when she prepared the appraisal report (that is, respondent did not report any information such as the gross living area or number of rooms in the suite, and did not otherwise consider or suggest that the suite had any contribution to the value of the subject property). There was also no narrative included in the report addressing either the legality of the in-law suite and/or any adverse or positive impact which the suite might have on the marketability of the property.

Respondent reported the highest and best use of the subject property to be "continued residential," but stated that an

attorney's opinion should be sought to determine whether the property was presently in conformance with zoning requirements. The Board notes that an appraiser must research whether the present use of a property is legally (zoning) compliant in order to develop an opinion as to highest and best use, and that respondent therefore could not have developed an opinion of the highest and best use of the subject property without first determining whether the property's present use was in fact legally compliant.

Respondent prepared a sales comparison grid, wherein she analyzed three comparable sales. Although respondent cited "tax and zone office" as the source of verification for information reported regarding each of the comparable sales, she in fact significantly understated the gross living area of two of the three comparable sales (comparable sale #1, 3 Banyon Drive, Gloucester Township, was reported as having a g.l.a. of 2,024 square feet although the property record card indicates a gross living area of 2,350 square feet; and comparable sale #3, 14 Braemar Avenue, Gloucester Township, was reported as having a g.l.a. of 1,660 square feet in contrast to the recorded 2,058 square feet).

Based on the above findings, the Board concludes that respondent violated multiple requirements of the Uniform Standards of Professional Practice when preparing the subject property appraisal (all references herein are to the USPAP standards in effect in July 2007). Specifically, the Board finds

that respondent violated Standards 1-1(b) ("In developing a real property appraisal, an appraiser must not commit a substantial error of omission or commission that significantly affects an appraisal"), 1-3(b) ("When necessary for credible assignment results in developing a market value opinion, an appraiser must develop an opinion of the highest and best use of the real estate"), 2-1(b) ("Each written or oral real property appraisal report must contain sufficient information to enable the intended users of the appraisal to understand the report properly") and the Scope of Work Rule.

The cited violations constitute professional misconduct as specified within N.J.A.C. 13:40A-6.1 (requiring that an appraiser must ensure that all appraisals conform to the USPAP, and that failure to comply with provisions of the USPAP may be construed to be professional misconduct). The Board thus concludes that cause for disciplinary sanction against respondent exists pursuant to N.J.S.A. 45:1-21(e) (engaging in professional misconduct) and 45:1-21(h) (failing to comply with provisions of Board regulations). The parties desiring to resolve this matter without the need for further administrative proceedings, and the Board finding that good cause exists for the entry of the within Order,

IT IS on this ^{25th} ~~24th~~ day of ^{November, 2014} ~~September~~, 2014:

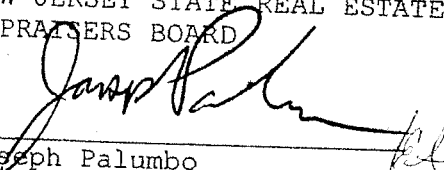
ORDERED and AGREED:

1. Respondent Andrea L. Senatore is hereby formally reprimanded, based on the findings set forth above.
2. Respondent is hereby assessed a civil penalty in the amount of \$1,000. \$250 of the assessed penalty shall be due and payable at the time of entry of this Order. The remaining \$750 of the assessed penalty shall be due and payable in three \$250 quarterly installments, to be paid not later than December 24, 2014, March 24, 2014 and June 24, 2014 respectively.
3. Respondent is hereby assessed costs, limited to transcript costs, in the amount of \$232.50, which costs shall be due and payable in full at the time of entry of this Order.
4. Respondent shall, within six months of the date of entry of this Order, be required to successfully complete: (1) a 15 hour Residential Market Analysis and Highest and Best Use Course; and (2) a 15 hour Residential Report Writing and Case Studies course. Prior to commencing said courses, respondent shall provide all available information regarding the courses she proposes to take to the Executive Director of the Board, and shall obtain pre-approval, in writing, from the Executive Director for all proposed courses. Respondent shall thereafter be responsible to ensure that documentation of successful completion of each course is forwarded by the course provider to the Board (said documentation must be provided within thirty days of the date of respondent's completion of the course). In the event that respondent fails to successfully

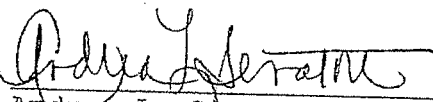
complete the course work required herein in a timely fashion (that is, in the event the Board does not receive documentation of successful completion of the required course no later than seven months from the date of entry of this Order), respondent shall be deemed to have failed to comply with the terms of this Order. In such event, the parties expressly agree that the Board may enter an Order of Immediate Suspension of license for failure to comply with the terms of this Order. In such event, respondent's license shall thereafter continue to be actively suspended until such time as she successfully completes the required course work, documentation thereof is submitted to the Board, and written notice of reinstatement is provided by the Board to respondent.

NEW JERSEY STATE REAL ESTATE
APPRAISERS BOARD

By:


Joseph Palumbo
Board President

I represent that I have carefully read and considered this Order, and consent to the entry of the Order by the Board.


Andrea L. Senatore, SLRREA

Dated:

9-22-14